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2005-374-E

November 30, 2005

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2005 NOV 30 AM 10:23  
SC PUBLIC SERVICE  
COMMISSION

**VIA: Hand Delivery**

The Honorable Charles L.A. Terreni  
Chief Clerk and Administrator  
The Public Service Commission of South Carolina  
101 Executive Center Drive  
Columbia, South Carolina 29210

RE: Revisions to Duke Power, a division of Duke Energy Corporation ("Duke") Rate Schedules G (SC) and OPT (SC), **Motion for Approval.**

Dear Mr. Terreni:

We are enclosing an original and 25 copies of "clean" and red-lined proposed revisions to Duke Rate Schedule G (SC) and Rate Schedule OPT (SC) for filing with the Public Service Commission of South Carolina, ("Commission").

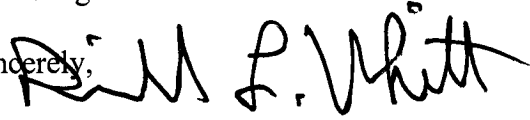
The only modification to each schedule is under Type of Service to allow additional single-phase voltage service. These changes will provide Duke with greater flexibility to respond to requests for service by its customers.

Duke respectfully requests that this Commission, treat this correspondence as Duke's Motion, for this Commission to (i) inquire in this matter; (ii) receive input from the South Carolina Office of Regulatory Staff, ("ORS"); (iii) find these revisions to be prudent and reasonable; (iv) consider this matter at an appropriate weekly agenda session; and (v) approve these revisions to the filed rate schedules, denominated hereinabove.

Charles L. A. Terreni  
November 30, 2005  
Page 2

Thank you for your attention to this matter. If you have any questions or concerns, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "R. L. Whitt". The signature is stylized with a large, looped "R" and a distinct "Whitt" at the end.

William F. Austin  
Richard L. Whitt

Lawrence B. Somers  
Assistant General Counsel  
Duke Power, a division of  
Duke Energy Corporation  
704-382-8142 (Office Phone Number)

RLW/dss

CC: A. R. Watts  
Florence Belser, Esquire

SCHEDULE OPT (SC)  
OPTIONAL POWER SERVICE, TIME-OF-USEAVAILABILITY (South Carolina Only)

Available to the individual customer.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premise.

This Schedule is not available to the individual customer who qualifies for a residential schedule, nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts, 120/208 volts, 240/480 volts or other available single-phase voltages at the company's option; or  
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or  
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or  
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or  
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge	\$33.54	
II.	Demand Charge	Summer Months	Winter Months
A.	On-Peak Demand Charge per month	<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
	For the first 2000 KW of Billing Demand per month	\$13.16 per KW	\$7.69 per KW
	For the next 3000 KW of Billing Demand per month	\$11.67 per KW	\$6.40 per KW
	For all over 5000 KW of Billing Demand per month	\$ 9.40 per KW	\$4.74 per KW
B.	Economy Demand Charge per month	\$1.01 per KW	\$1.01 per KW
III.	Energy Charge		
	The Energy Charge for customers receiving service in establishments classified as “Manufacturing Industries” by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electrical energy consumption of such establishment is used for its manufacturing processes is shown below under “Industrial Service”. The rate for all other customers on this schedule is shown under “General Service”.		
		<u>General Service</u>	<u>Industrial Service</u>
		<u>All Months</u>	<u>All Months</u>
A.	All On-Peak Energy per month	4.7928 cents per kWh	4.7928 cents per kWh
B.	All Off-Peak Energy per month	2.1327 cents per kWh	2.1327 cents per kWh

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	Summer Months <u>June 1 – September 30</u>	Winter Months <u>October 1 – May 31</u>
On-Peak Period Hours	1:00 p.m. – 9:00 p.m. Monday – Friday	6:00 a.m. – 1:00 p.m. Monday – Friday
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours.	

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

INTERIM LOAD RETENTION RIDER

The Company's Interim Load Retention Rider decrement will apply to service supplied to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes. The currently approved decrement is included in the rate above.

DEFINITION OF "MONTH"

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CONTRACT DEMAND

The Company will require contracts to specify the maximum demand to be delivered to the Customer which shall be the Contract Demand.

Where the Customer can restrict on-peak demand to levels considerably below that of the Contract Demand, the Company may also contract for a limited On-Peak Contract Demand in addition to the Contract Demand.

DETERMINATION OF BILLING DEMAND

- A. The On-Peak Billing Demand each month shall be the largest of the following:
  1. The maximum integrated thirty-minute demand during the applicable summer or winter on-peak period during the month for which the bill is rendered.
  2. Fifty percent (50%) of the Contract Demand (or 50% of the On-Peak Contract Demand if such is specified in the contract)
  3. 15 kilowatts (KW)
- B. Economy Demand  
To determine the Economy Demand, the larger of
  1. The maximum integrated thirty-minute demand during the month for which the bill is rendered; or
  2. 50% of the Contract Demand  
shall be compared to the On-Peak Billing Demand as determined in A. above. If the demand determined by the larger of B. 1 and B. 2 above exceeds the On-Peak Billing Demand, the difference shall be the Economy Demand.

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the sum of the On-Peak Demand Charge and the Economy Demand Charge shall not be less than \$1.49 per month per KW of Contract Demand. If the Customer's measured demand exceeds the Contract Demand, the Company may at any time establish the minimum based on the maximum integrated demand in the previous twelve months including the month for which the bill is rendered.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

SCHEDULE OPT (SC)  
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3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or  
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**MINIMUM BILL**

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the sum of the On-Peak Demand Charge and the Economy Demand Charge shall not be less than \$1.49 per month per KW of Contract Demand. If the Customer's measured demand exceeds the Contract Demand, the Company may at any time establish the minimum based on the maximum integrated demand in the previous twelve months including the month for which the bill is rendered.

**POWER FACTOR CORRECTION**

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

**SALES TAX AND MUNICIPAL FEES**

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CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.



SCHEDULE G (SC)  
 GENERAL SERVICE

AVAILABILITY (South Carolina Only)

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TYPE OF SERVICE

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 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or  
 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or  
 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or  
 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge	\$6.85
II.	Demand Charge	
	For the first 30 KW of Billing Demand per month	No Charge
	For all over 30 KW of Billing Demand per month	\$3.28 per KW
II.	Energy Charge	
	<u>For the First 125 kWh per KW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month	9.9634 cents per kWh
	For the next 87,000 kWh per month	5.0594 cents per kWh
	For all over 90,000 kWh per month	3.2936 cents per kWh
	<u>For the Next 275 kWh per KW Billing Demand per Month:</u>	
	For the first 6,000 kWh per month	5.1300 cents per kWh
	For the next 95,000 kWh per month	5.0680 cents per kWh
	For the next 39,000 kWh per month	4.4395 cents per kWh
	For the next 60,000 kWh per month	4.4278 cents per kWh
	For all over 200,000 kWh per month	4.3645 cents per kWh
	<u>For all Over 400 kWh per KW Billing Demand per Month:</u>	
	For the first 1,000,000 kWh per month	4.2564 cents per kWh
	For all over 1,000,000 kWh per month	3.9958 cents per kWh

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

**DEFINITION OF "MONTH"**

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

**DETERMINATION OF BILLING DEMAND**

The Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand in the previous 12 months including the month for which the bill is rendered.
2. Fifty percent (50%) of the Contract Demand.
3. 30 kilowatts (KW)

The Company will install a permanent demand meter when the monthly usage of the Customer equals or exceeds 3,000 kWh per month, or when tests indicate a demand of 15 KW or more. The Company may, at its option, install a demand meter for any customer served under this schedule.

**MINIMUM BILL**

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

**Monthly**

\$1.49 per KW per month of Contract Demand

If the Customer's measured demand exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered, instead of the Contract Demand.

**Annual**

\$28.40 per KW per year of Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

**POWER FACTOR CORRECTION**

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

**SALES TAX AND MUNICIPAL FEES**

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**PAYMENT**

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The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

DETERMINATION OF BILLING DEMAND

The Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand in the previous 12 months including the month for which the bill is rendered.
2. Fifty percent (50%) of the Contract Demand.
3. 30 kilowatts (KW)

The Company will install a permanent demand meter when the monthly usage of the Customer equals or exceeds 3,000 kWh per month, or when tests indicate a demand of 15 KW or more. The Company may, at its option, install a demand meter for any customer served under this schedule.

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

Monthly

\$1.49 per KW per month of Contract Demand

If the Customer's measured demand exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered, instead of the Contract Demand.

Annual

\$28.40 per KW per year of Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.